

RECORDATION NO. 7553
FILED & RECORDED
JUN 27 1974 3:15 PM

HULK PURCHASE AGREEMENT INTERNATIONAL COMMERCE COMMISSION

Louisville and Nashville Railroad Company

June 1, 1974

Gentlemen:

Louisville and Nashville Railroad Company, a corporation organized under the laws of Kentucky (the "Seller"), owns the railroad equipment described in Exhibit A hereto (collectively the "Hulks" and individually a "Hulk"). The Seller desires to sell the Hulks and First Security Bank of Utah, National Association (the "Buyer"), acting as trustee for Trustors under a Trust Agreement dated as of the date hereof, desires to purchase the Hulks for the Purchase Price set forth in Exhibit A (the "Purchase Price").

The Seller will, from time to time, deliver to the Buyer a Bill or Bills of Sale transferring title to a group of Hulks and warranting that at the date of such Bill or Bills of Sale the Seller had legal title to such Hulks and good and lawful right to sell the same and that title to such Hulks transferred to the Buyer by such Bill or Bills of Sale was free of all claims, liens, security interests, security titles and encumbrances of any nature. On or after the date of such Bill or Bills of Sale, the Seller will deliver the Hulks in such group to an authorized representa-

tive of the Buyer at such point or points within the United States of America as shall be specified by the Seller. The sale and delivery of the Hulks pursuant to this Agreement shall commence as soon as practicable and shall be completed on or before April 1, 1975.

The Buyer at the times hereafter specified will pay to the Seller the Purchase Price of each Hulk in each group subject to all of the terms and conditions of this Agreement, including without limitation the following conditions: (a) receipt of the Bill or Bills of Sale with respect thereto specified in the preceding paragraph, (b) receipt of a Certificate or Certificates of Acceptance signed by the Buyer's authorized representative stating that the Hulks in such group have been delivered to and accepted on behalf of the Buyer, (c) receipt of a written opinion of counsel for the Seller dated the date of such Bill or Bills of Sale, addressed to the Buyer and stating that such Bill or Bills of Sale are valid and effective to transfer good title to such Hulks to the Buyer, free of all claims, liens, security interest, security titles and encumbrances of any nature and that at the time of delivery and acceptance thereof, such Hulks will be free of all claims, liens, security interests, security titles and

encumbrances of any nature of anyone other than the Buyer.

Each such Bill of Sale shall contain the following information with respect to each type of Hulk included in the group of Hulks covered thereby: quantity, description, the Seller's identifying numbers and place of delivery. The Buyer will pay the Purchase Price of each Hulk delivered and accepted as aforesaid to the Seller either on (i) the Closing Date relating to such Hulk fixed as provided in a Reconstruction Agreement (the "Reconstruction Agreement") dated as of the date hereof, between the Buyer and L&N Investment Corporation (the "Builder") or, if a financing arrangement is entered into as specified in paragraph 2 of the Reconstruction Agreement, on the Closing Date specified in such financing arrangement or (ii) May 14, 1975, whichever is earlier. The Buyer has the option under the Reconstruction Agreement (which option will also be included in any such financing arrangement), exercisable on the conditions and at the time and manner therein set out, to assign to the Builder whatever right, title and interest the Buyer may then have in the Equipment (as defined in the Reconstruction Agreement); which assignment, in the event that the Buyer does so exercise its option, shall be in full satisfaction of the Buyer's obligations under this Agreement. In such event, the Buyer shall have no obligation to pay

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or
the Purchase Price ~~of~~ perform this Agreement and the Seller will look only to the Builder for such payment or performance, anything in this Agreement to the contrary notwithstanding.

The Buyer may assign and/or transfer any or all of its rights under this Agreement and/or any or all of its rights to possession of any of the Hulks. Any such assignment or transfer may be made by the Buyer without the assignee or transferee assuming any of the obligations of the Buyer hereunder. The Buyer and the Seller acknowledge that such assignment or transfer is contemplated. All of the rights of the Buyer hereunder shall inure to the benefit of the Buyer's assigns.

Notwithstanding the delivery of any Bill or Bills of Sale hereunder, the Seller agrees that all responsibility with respect to any Hulk covered by such Bill or Bills of Sale, its use and operation and risk of loss thereof, shall remain with the Seller until such Hulk is delivered to and accepted by the authorized representative of the Buyer, as provided above, and the Seller agrees to indemnify and hold the Buyer harmless from any claim made against the Buyer by reason of the transfer of title to the Hulks prior to such delivery and acceptance or with respect to the validity of such title, free from all claims, liens, security interests, security title or encumbrances of any nature other than

those of the Buyer at the time of such delivery and acceptance. Upon such delivery and acceptance, all responsibility and risk of loss with respect to such Hulk shall pass to the Buyer.

In the event that any Hulk is not so delivered to the Buyer after the date of any Bill or Bills of Sale with respect thereto the Buyer will assign to the Seller whatever right, title and interest the Buyer may then have in such Hulk and such Hulk shall thereafter be excluded from the provisions of this Agreement.

The Seller hereby represents and warrants to the Buyer, its successors and assigns, that (i) this Agreement was duly authorized by it and lawfully executed and delivered for a valid consideration, the performance of this Agreement will not conflict with any provision of law or with its Charter or By-laws or of any agreement binding upon it and (assuming valid authorization, execution and delivery by the Buyer) this Agreement is, in so far as it is concerned, a valid and existing agreement binding upon it in accordance with its terms as they are now in force; and (ii) no approval is required from any regulatory body with respect to the entering into or performance by it of this Agreement.

It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the undertakings and agreements herein made on the part of the Buyer, are made and intended not as personal undertakings and agreements by the First Security Bank of Utah or for the purpose or with the intention of binding said Bank personally but are made and intended for the purpose of binding only the Trust Estate as such term is used in the Trust Agreement hereinabove referred to, and this Agreement is executed and accepted by said Bank not in its own right but solely in the exercise of the powers expressly conferred upon it as trustee under the Trust Agreement; and that no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against said Bank or the Trustors hereinabove referred to on account of this Agreement or on account of any representation, undertaking or agreement of the said Bank or the Trustors, either expressed or implied, all such personal liability, if any, being expressly waived and released by the Seller and by all persons claiming by, through or under the Seller; provided, however, that the Seller or any person claiming by, through or under any of it, making claim hereunder, may look to said Trust Estate for satisfaction of the same.

If the foregoing arrangement concerning sale of the Hulks is satisfactory to the Buyer, please confirm by signing and returning the enclosed copy of this letter to the undersigned.

Very truly yours,

LOUISVILLE AND NASHVILLE
RAILROAD COMPANY

by

by C. N. Wiggins
VICE PRESIDENT OPERATIONS

Accepted as of the date
first set forth above.

FIRST SECURITY BANK OF UTAH,
NATIONAL ASSOCIATION, as Trustee,

by *[Signature]*

HULK PURCHASE AGREEMENT

EXHIBIT A

<u>Quantity</u>	<u>Description</u>	<u>L&N Road Numbers</u>	<u>Purchase Price</u>	<u>Total Purchase Price</u>
549	50 Ton Box Cars	7200-7499 7500-8099 8750-8999 12100-12999 46100-46199 46600-46899 91400-91999 92000-92499 92500-92999 93700-93999 97100-97199 97200-97309 97310-97399 97425-97549 98000-98074 98100-99099 99700-99799 106000-106099 106500-106599 107000-107199 108000-108499 108500-108799	\$1,500	\$ 823,500
40	70 Ton Box Cars	100000-100399 101000-101099 102000-102099	\$1,500	\$ 60,000
18	100 Ton Box Cars	105000-105049 107500-107599	\$1,500	\$ 27,000
192	70 Ton Open Top Hopper Cars	72999-74999 150000-152999 153000-156084	\$1,500	\$ 288,000
53	80 Ton Open Top Hopper Cars	182500-189424 500000-500099	\$1,500	\$ 79,500
99	50 Ton Gondola Cars	56000-56699 28800-28999 48000-48999	\$1,500	\$ 148,500

HULK PURCHASE AGREEMENT

EXHIBIT A (Continued)

<u>Quantity</u>	<u>Description</u>	<u>L&N Road Numbers</u>	<u>Purchase Price</u>	<u>Total Purchase Price</u>
123	70 Ton Gondola Cars	36000-37099 170000-175099	\$1,500	\$ 184,500
51	50 Ton Flat Cars	21100-21399 21400-21499 22250-22293 MON7200-7250	\$1,500	\$ 76,500
12	70 Ton Covered Hopper Cars	37400-37848 38546-38599	\$1,500	\$ 18,000
38	100 Ton Covered Hopper Cars	38650-38793 200000-200699 201000-201462 38612-38636	\$1,500	\$ 57,000
<u>1,175</u>				<u>\$1,762,500</u>